

Funding Commitment Adjustment Report
Form 471 Application Number: 581786

Funding Request Number: 1621331
Services Ordered: INTERNAL CONNECTIONS
SPIN: 143022999
Service Provider Name: Raynor Services, Inc
Contract Number: 712206
Billing Account Number: N/A
Site Identifier: 16034288
Original Funding Commitment: \$107,205.11
Commitment Adjustment Amount: \$107,205.11
Adjusted Funding Commitment: \$0.00
Funds Disbursed to Date: \$106,621.46
Funds to be Recovered from Applicant: \$106,621.46
Funding Commitment Adjustment Explanation:

After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the review, it was determined that the applicants consultant had a relationship with a service provider, Raynor Services, Inc. and received finders fees from Raynor Services, Inc. in which a school selected them as their service provider. FCC rules require applicants to submit a FCC Form 470 to initiate the competitive bidding process and to conduct a fair and open process. Neither the applicant nor the applicants consultant should have a relationship with a service provider prior to the competitive bidding that would unfairly influence the outcome of a competition or would furnish the service provider with "inside" information or allow it to unfairly compete in any way. Since the consultant has engaged in an improper relationship with a selected service provider, which represents a conflict of interest and compromises the competitive bidding process, the commitment has been rescinded in full and USAC will seek recovery of any improperly disbursed funds from both the applicant and service provider.

If USAC is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with your service provider to determine who will be repaying the debt to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

Please remit payment for the full "Funds to be Recovered from Applicant" amount shown in the Report. To ensure that your payment is properly credited, please include a copy of the Report with your check. Make your check payable to the Universal Service Administrative Company (USAC).

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payments to:

Bank of America
c/o Universal Service Administrative Company (105056)
1075 Loop Road
Atlanta, GA 30337
Phone 404-209-6377

If you are located in the Atlanta area and use a local messenger rather than a major courier service, please address and deliver the package to:

Universal Service Administrative Company
P.O. Box 105056
Atlanta, GA 30348-5056
Phone 404-209-6377

Local messenger service should deliver to the Lockbox Receiving Window at the above address.

Payment is due within 30 days from the date of this letter.

Complete Program information is posted to the SLD section of the USAC website at www.usac.org/sl/. You may also contact the SLD Client Service Bureau by email using the "Submit a Question" link on the SLD website, by fax at 1-888-276-8736 or by phone at 1-888-203-8100.

Universal Service Administrative Company
Schools and Libraries Division

cc: *Grafton Spinks*
Raynor Services, Inc

ATTENTION!

When sending payments by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express and UPS) please send check payment payable to:

Universal Service Administrative Company (105056)
1075 Loop Road
Atlanta, GA 30337
Phone 404-209-6377

Hagmon Simmons
TEXAS SERENITY ACADEMY
8500 SWEETWATER
HOUSTON, TX 77037

ATTENTION!

BELOW ARE SEVERAL IMPORTANT CHANGES TO THE TEXT IN THE ACCOMPANYING LETTER

If sending payment by U. S. Postal Service or major courier service (e.g. Airborne, Federal Express, and UPS) please send check payment payable to:

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Paragraph 2 of the letter is replaced in its entirety:

2. Unless we receive full payment, evidence that the debt is not owed, or a request for installment payment plan for repaying the outstanding debt within 30 days of the date of this letter (Demand Date), pursuant to the DCIA, you may incur additional charges and costs, and the debt may be transferred to the Secretary of Treasury (Treasury) for debt collection. The FCC has determined that the funds are owed to the United States pursuant to the provisions of 31 U.S.C. § 3701 and 47 U.S.C. § 254. Because the unpaid amount is a debt owed to the United States, we are required by the DCIA to impose interest and to inform you what may happen if you do not pay the full outstanding debt. Under the DCIA, the United States will charge interest from the date of this notice, and you will be required to pay the administrative costs of processing and handling a delinquent debt as set by the Treasury. The Treasury will impose additional charges (currently 28% of the debt). Additional information regarding the DCIA is available at 31 U.S.C. §§ 3701, 3711, 3716, 3717 and 3720B, the Federal Claims Collection Standards (e.g. 31 C.F.R. §900.1, et seq.) and 47 C.F.R. § 1.1901, et seq.

Paragraph 6 of the letter is replaced in its entirety:

6. You have an opportunity to request a written repayment agreement (which includes a Promissory Note) to pay the full amount of the debt. If due to financial hardship you are unable to pay the full amount of the past due invoice in a lump sum, you may contact our Customer Service Office to request an installment payment plan, which will require the payment of interest and execution of a promissory note. If you fail to pay the installment payment plan amount in full, plus accrued interest, penalties, and administrative charges, several administrative or judicial actions may result. First, your delinquent account information will be reported to credit bureaus, your account will be subject to administrative action by the FCC and the Treasury, including administrative offset, denial of certain federal benefits, withholding of action on any pending application (see 47 C.F.R. § 1.1910 (Red Light)), and referral to private collection attorneys. Next, we may refer the circumstances of your delinquency to the FCC's Enforcement Bureau for further action. Finally, your delinquent debt may be transferred to either the Treasury for further administrative collection or the DOJ for enforced collection.

To provide evidence that all or part of the Debt has been paid or request an installment payment plan, you may notify us in writing by mail or facsimile transmission at the following address and telephone number:

Schools and Libraries Division-
Correspondence Unit
30 Lanidex Plaza West, P.O. Box 685
Parsippany, NJ 07054-0685
Phone Number: 973-581-5395
Fax Number: 973-599-6582

Hagmon Simmons
TEXAS SERENITY ACADEMY
8500 SWEETWATER
HOUSTON, TX 77037

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HOUSTON, TX 77037



Schools and Libraries Division

Demand Payment Letter

(Funding Year 2007: July 1, 2007 - June 30, 2008)

May 7, 2012

Grafton Spinks
Raynor Services, Inc
2868 Love Lane
Friendswood, TX 77546

Re: SPIN:	143022999
Service Provider Name:	Raynor Services, Inc
Form 471 Application Number:	581786
Funding Year:	2007
FCC Registration Number:	
Applicant Name:	TEXAS SERENITY ACADEMY
Billed Entity Number:	16034288
Applicant Contact Person:	Hagmon Simmons
Payment Due By:	6/6/2012

You were recently sent a Notification of Commitment Adjustment Letter informing you of the need to recover funds from you for the Funding Request Number(s) (FRNs) listed on the Funding Commitment Adjustment Report (Report) attached to the Notification of Commitment Adjustment Letter. A copy of that Report is also attached to this letter.

The balance of this debt is due within 30 days from the date of this letter. Failure to pay the debt within 30 days from the date of this letter could result in interest, late payment fees, administrative charges, and implementation of the "Red Light Rule." The FCC's Red Light Rule requires USAC to dismiss pending FCC Form 471 applications if the entity responsible for paying the outstanding debt has not paid the debt, or otherwise made satisfactory arrangements to pay the debt within 30 days of the notice provided by USAC. For more information on the Red Light Rule, please see "Red Light Frequently Asked Questions (FAQs)" posted on the FCC website at http://www.fcc.gov/debt_collection/faq.html.

If the Universal Service Administrative Company (USAC)) has determined that both the applicant and the service provider are responsible for a Program rule violation, then, pursuant to the Order on Reconsideration and Fourth Report and Order (FCC 04-181), USAC will seek recovery of the improperly disbursed amount from BOTH parties and will continue to seek recovery until either or both parties have fully paid the debt. If USAC has determined that both the applicant and the service provider are responsible for a Program rule violation, this was indicated in the Funding Commitment Adjustment Explanation on the Funding Commitment Adjustment Report.

If USAC is attempting to collect all or part of the debt from both the applicant and the service provider, then you should work with the applicant to determine who

will be repaying the debt to avoid duplicate payment. Please note, however, that the debt is the responsibility of both the applicant and service provider. Therefore, you are responsible for ensuring that the debt is paid in a timely manner.

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Universal Service Administrative Company
Schools and Libraries Division

cc: Hagmon Simmons
TEXAS SERENITY ACADEMY

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Contract Number:	712206
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PLEASE SEND A COPY OF THIS PAGE WITH YOUR
CHECK TO ENSURE TIMELY PROCESSING
